SUPREME COURT, U. S.

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IN THE

Supreme Court of the United States

OCTOBER TERM, A.D. 1975

No. 75-1092

PIHER INTERNATIONAL CORPORATION and PIHER SOCIEDAD ANONIMA,

Petitioners,

vs.

CTS CORPORATION,

Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

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PIHER INTERNATIONAL CORPORATION and PIHER SOCIEDAD ANONIMA pray that a Writ of Certiorari issue to review the decision of the United States Court of Appeals for the Seventh Circuit in the case entitled CTS Corporation (Plaintiff-Appellee) v. Piher International Corporation and Piher Sociedad Anonima (Defendants-Appellants)[1] Appeal No. 75-1100.

[1] Hereafter "CTS"; and "Piher".

This is a patent infringement action, and the patent involved in the present Petition is No. 3,518,604 on "Electrical Component" issued to CTS Corporation on June 30, 1970, pursuant to an application filed February 12, 1968.

OPINIONS OF THE COURTS BELOW

The opinion of the Court of Appeals, concerning patent No. 3,518,604, and others,[2] was decided September 17, 1975. The decision is unreported, and a copy of the slip opinion is hereto appended as Appendix A.

The Court denied a Petition for Rehearing by your Petitioners in an unpublished order dated January 26, 1976, a copy of which is hereto appended as Appendix B.

The lower Court decision in the District Court for the Northern District of Illinois, Eastern Division, involving said patent No. 3,518,604, and others,[2] is published in 184 USPQ, at page 399, and a copy is hereto appended as Appendix C.

JURISDICTION

Jurisdiction of the Court is invoked under Title 28, US Code Section 1254 (1).

This Petition is filed within the ninety (90) days' period permitted under Title 28 U.S.C. Section 2101(c), from the order of the Court of Appeals on Petition for Rehearing dated January 26, 1976. (Appendix B).

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[2] Patents No. 2,740,027; No. 3,375,478; and No. 3,670,285.

QUESTION PRESENTED

This is a patent infringement action, and the question presented by the present Petition concerns the standard to be followed in determining the question of obviousness under 35 USC Section 103.

Specifically, the question may be stated as follows:

1. If a combination of two prior art references is obvious to accomplish a first result, is that same combination of references rendered non-obvious because it accomplishes a second result allegedly not disclosed in the references in question?

THE STATUTE INVOLVED

35 U.S.C. § 103

Conditions for patentability; non-obvious subject matter

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

STATEMENT OF THE CASE

CTS filed its patent infringement action alleging infringement of four United States Letters Patent 2,740,027, ('027); 3,375,478 ('478); 3,518,604 ('604); and 3,670,285 ('285). Upon stipulation, and completion of the pleadings before the District Court, there remained at issue, the question of infringement of '027, '478, and '604, and the question of validity as to all four of the patents, including the question of obviousness over the prior art in the case of '604, and alleged invalidity upon the ground of "on sale" more than one year before the patent application was filed in the case of '285. The Trial Court made findings adverse to Piher upon all issues.

In view of the nominal amounts involved, no appeal was taken by Piher as to '027 and '478; but appeal to the Court of Appeals was taken as to '604 and '285 including the issue of validity upon the points above stated.

On the appeal, the Court of Appeals held that the Trial Court improperly excluded certain evidence as to "on sale" in connection with '285, and remanded the case to the District Court for a new trial upon this issue.

As to '604, the Court of Appeals held the patent valid and infringed, and the validity holding by the Court of Appeals upon the question of obviousness over the prior art is the subject of the present Petition to this Court. A copy of patent No. 2,518,604 ('604) is appended hereto as Appendix D.

The subject matter of patent '604 relates to variable resistors, sometimes referred to as "potentiometers" or

"trimmers." CTS is the owner of two earlier patents, No. 3,237,140 ('140) and No. 3,375,478 ('478) which bear upon the same subject matter and which have prior art status as to CTS' patent '604.[3] A copy of 3,237,140 ('140) is hereto appended as Appendix E, and a copy of 3,375,478 ('478) is hereto appended as Appendix F.

The obviousness question presented by the present Petition involves simply the substitution of the improved flared bearing 31c, Fig. 1, of '478, for the more conventional or non-flared bearing at the aperture 15, Fig. 2, of '140. The Court of Appeals in its decision in effect holds that such combination is obvious if the purpose is to provide a "secure relationship" between the parts; but that the same combination is rendered non-obvious if there is also involved the additional purpose of "dust exclusion", because this feature allegedly is not adequately disclosed in either reference.

Your Petitioners respectfully submit that this holding by the Court of Appeals presents an anomaly in the law, in the consideration of the question of obviousness under 35 USC 103.

[3] The Patent Office examiner was not informed by CTS of its patent '478. Upon the issue of duty of disclosure, the Court of Appeals said that it was "surprised and troubled" by the deliberate failure of CTS to cite its patent '478 to the Patent Office during the prosecution of the '604 application. (Appendix A-6)

REASON FOR GRANTING THE WRIT

In *Graham v. John Deere Co.*, 383 U.S. 1 (1966) this Court laid down the standards and procedures to be followed in the consideration of the question of obviousness under 35 USC 103.

In view of the decision by the Court of Appeals below, there now arises the question of whether under those standards and procedures a combination of two references may be obvious to achieve one purpose, while the combination of those same two references is rendered non-obvious if an additional result or purpose is achieved, inherent in the combination, but allegedly not adequately discussed or disclosed in the specifications of the references in question.

It is believed that this question should be clarified by this Court, perhaps companion to the question of obviousness under 35 USC Section 103, which is now before this Court in the Fifth Circuit case of *Sakraida v. Ag Pro, Inc.*, (U.S. Supreme Court Docket No. 75-110; Court of Appeals decision reported at 512 F.2d 141).

ARGUMENT

The decision by the Court of Appeals below, pertinent to the question presented by this Petition, appears in the Court's decision in Section I, comprising Appendix pages A-4 and A-5; and the involved structures are not complex.

Reference patent '140 (Appendix E), discloses a dust-proof trimmer, but utilizes an essentially conventional non-flared bearing at the aperture 15, Fig. 2, where the rotatable resistor drive shaft 52 projects through the apertured closure wall 13 (see patent specification column 3, lines 10-24 and column 5, lines 10-38).

The reference patent '478 discloses an improved flared type bearing 31c, Fig. 1, the structure being described in the '478 patent specification, column 4, beginning line 40, as follows:

> "Such design assures a tight bearing fit between the shaft 31 and the bearing or aperture 14b as well as eliminating longitudinal movement of the shaft."

Patent '478 does not employ a dust-proof housing.

The decision by the Court of Appeals (Appendix pages A-4 and A-5) recognizes that the structure of '604, the patent in suit, is achieved simply by the substitution of the flared bearing of '478 for the more conventional bearing of '140; and that such combination or substitution will achieve the dual purpose firstly, of holding the parts "securely together" while being smoothly rotatable, and secondly, of "preventing dust or other foreign matter from entering the compartment." And the Court says (Appendix page A-5) that the substitution

to "maintain a secure relationship" would be obvious. Specifically the Court says (Appendix page A-5):

> "If the flared bearing of '604 merely performed the function of maintaining a secure relationship among the components during adjustment, Piher's argument (of obviousness) would be valid." (parenthetical material added)

But the Court then goes on to find that the same combination of references, obvious to achieve the result of a "secure relationship" is non-obvious because there is additionally achieved a "dust excluding function" which the Court finds is not adequately discussed or disclosed either in '140 or '478.

Your Petitioners respectfully submit that this holding by the Court below presents a complete anomaly upon the question of obviousness under 35 USC 103. If a combination of references is obvious to achieve a first purpose, then that combination of references is obvious for any and all purposes which inherently result from any combination which is made. If a combination of references is obvious to achieve a first desirable result, then that same combination cannot be rendered non-obvious because additional results and benefits may be inherent or achieved; and so to conclude presents a legal anomaly upon the question of obviousness under 35 USC 103.

Placed in the context of the present case, if the combination of '140 and '478 is obvious to achieve in '140 a more "secure relationship" between the parts, then that combination cannot be rendered non-obvious by reason of the fact that the inherent function of "dust exclusion" is additionally achieved.

CONCLUSION

Wherefore, and for the reasons stated, it is respectfully submitted that the decision by the Court of Appeals below is improper, and presents a legal anomaly upon the question of obviousness under 35 USC 103 requiring clarification by this Court, and that the present Petition be granted.

Respectfully submitted,

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